BUSTAMANTE FABARA

**Innovation** and **Legal Leadership** in **Ecuador**


**LEGAL** BULLETIN

# New Rules for the Management of Money Laundering and Other Criminal Financing Risks in the Insurance Sector

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## New Rules for the Management of Money Laundering and Other Criminal Financing Risks in the Insurance Sector

On August 17, 2026, Resolution No. SCVS-DNPLA-2026-00016283 was published, through which the SCVS issued the "Rules for the Management of Money Laundering and Other Criminal Financing Risks in the Insurance Sector," replacing Resolution No. SCVS-DNPLA-2022-007.

The following are subject to these obligations:

a. Insurance companies
b. Reinsurance companies
c. Reinsurance intermediaries
d. Insurance producer advisors

For reinsurance intermediaries and insurance producer advisors, the obligations will become enforceable once the UAFE formally incorporates them by means of a Resolution.

### MONEY LAUNDERING PREVENTION PROGRAM (PARLAFT)

The obligated entities must implement a Prevention Program (PARLAFT), which includes a risk management system consisting of four stages:

1. Identification of risks related to clients, products, channels, and geographic areas.
2. Measurement of inherent and residual risk.
3. Control and mitigation through policies and procedures.
4. Ongoing monitoring.

Five levels of probability and impact are established, the combination of which determines the risk rating and the applicable strategies.

### ORGANIZATIONAL COMPLIANCE STRUCTURE

The Compliance Committee will meet on a monthly basis in ordinary sessions and extraordinarily when necessary, with a quorum of half plus one of its members.

With respect to the Compliance Officer, the regulation establishes specific requirements, including:

1. A third-level degree in law, economics, business administration, auditing, finance, data science, or related fields.
2. A minimum of 5 years of experience for the principal officer or 2 years for the alternate officer in the financial, insurance, or securities sector.
3. 90 hours of training within the last 5 years, including at least 50 hours in risk management, as well as successful completion of the UAFE course.
4. The individual must not have been suspended or had their qualification as Compliance Officer revoked within the last 5 years.
5. The appointment will have a minimum term of 5 years and may be renewed. Failure to make a timely appointment constitutes a serious infringement.
6. The Compliance Unit must consist of at least the Principal and Alternate Compliance Officers, together with trained personnel and operational autonomy.

## DUE DILIGENCE AND KNOW YOUR CUSTOMER

Three levels of due diligence are established:

a. Standard, for new or ongoing relationships.
b. Simplified, when the risk level is medium or low.
c. Enhanced, for counterparties residing in countries that do not comply with international standards, PEPs, or complex legal structures.

Documents must be retained for 10 years.

## COMPLIANCE DEADLINES

The Resolution establishes critical deadlines that obligated entities must observe:

- **6 months from publication:** Update the Money Laundering Prevention Manual and submit it to the SCVS, following approval by the competent corporate body.
- **January 31 of each year:** Approve the Annual Compliance Plan (PAC) and Annual Compliance Report (IAC), which must be submitted to the SCVS within 15 business days.
- **May 30 of each year:** Submit the external audit report.

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